GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

UNSTARRED QUESTION NO:5353
ANSWERED ON:23.04.2001
CELLULAR TARIFF
JAGMEET SINGH BRAR

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether Telecom Regulatory Authority of India(TRAI) has made cost based study of Cellular Tariffs;

(b) if so, the details thereof;

(c) whether there is a proposal under consideration to reduce cellular airtime tariffs;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR)

(a) & (b): Yes, Sir. The Telecom Regulatory Authority of India (TRAI) had conducted a cost based study of cellular tariffs in 1998-99 and issued a Consultation Paper dated 9th September, 1998 on telecom pricing containing details of the cost study. Based on this study, tariffs for Cellular Mobile Telephone Service were notified in TRAI`s Telecommunication Tariff Order (TTO), 1999.

(c) to (e): Following migration from a fixed license fee to revenue sharing regime effective from 1st August, 1999, license fee payable by operators has reduced, for the present. Benefits of this reduction have been provided to subscribers by way of reduced rental with effect from November, 1999 and by way of reduced airtime from February, 2000 by service providers. TRAI has also notified the TTO(Twelfth Amendment) Order, 2001 which contains details of refunds to be made to the cellular subscribers. In addition, TRAI is keeping the tariff situation under constant review for introducing further changes in the cellular tariff, if necessary.